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Attorneys for Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** All papers shall be filed in the lead case,
No. 19-30088 (DM)*

Bankruptcy Case
No. 19-30088 (DM)

Chapter 11
(Lead Case) (Jointly Administered)

**STIPULATION AND AGREEMENT FOR
ORDER RESOLVING THE OFFICIAL
COMMITTEE OF TORT CLAIMANTS'
MOTION FOR STANDING TO
PROSECUTE CLAIMS OF THE
DEBTORS' ESTATES**

[Relates to Dkt. Nos. 5972-73, 5975]

Regarding Motion Set for Hearing April 7,
2020 at 10:00 a.m. PDT

1 This stipulation and agreement for order (the “**Stipulation**”) is entered into by and
2 between PG&E Corporation (“**PG&E Corp.**”) and Pacific Gas and Electric Company (the
3 “**Utility**”, and collectively with PG&E Corp., the “**Debtors**”), as debtors and debtors in
4 possession in the above-captioned cases (the “**Chapter 11 Cases**”), and the Official Committee
5 of Tort Claimants (the “**TCC**”). The Debtors and the TCC are referred to in this Stipulation
6 collectively as the “**Parties**,” and each as a “**Party**.” The Parties hereby stipulate and agree as
7 follows:

8 **RECITALS**

9 A. On February 28, 2020, the TCC filed *The Official Committee of Tort Claimants’*
10 *Motion for Standing to Prosecute Claims* [Dkt. 5272] (the “**Motion**”). The TCC noticed the
11 Motion for a hearing on April 7, 2020 at 10:00 am PST (the “**Hearing**”). See Dkt. No. 5275.

12 B. Through the Motion, the TCC seeks standing to commence in these Chapter 11
13 Cases an adversary proceeding (the “**Adversary Proceeding**”) seeking a declaratory judgment
14 that certain claims (the “**Claims**”) brought by current and former holders of securities of PG&E
15 Corp. (“**Securities Holders**”) are, in fact, derivative claims belonging to the Debtors’ estates,
16 and to enjoin further prosecution of such claims by the Securities Holders. The Claims are
17 currently pending in the United States District Court for the Northern District of California, San
18 Francisco Division, styled *In re PG&E Corporation Securities Litigation*, Civil Action No. 3:18-
19 cv-03509-EJD (the “**Pending Action**”), and are also the subject of proofs of claim filed, and to
20 be filed, in these Chapter 11 Cases against the Debtors (the “**Securities POCs**”).

21 C. The Debtors have reviewed the Motion and have conferred with the TCC, and the
22 Parties desire to resolve the Motion on the terms set forth below.

23 **NOW, THEREFORE, IT HEREBY IS STIPULATED AND AGREED BY AND**
24 **BETWEEN THE PARTIES, THROUGH THE UNDERSIGNED, AND THE PARTIES**
JOINTLY REQUEST THE COURT TO ORDER, THAT:

25 1. This Stipulation shall be effective upon entry of an order by this Court
26 approving it.

2. The TCC shall be deemed to have standing for the sole purpose of commencing and prosecuting the Adversary Proceeding substantially in the form of Exhibit B to the Motion. The foregoing standing and prosecution shall be limited to the sole purpose of a determination as to whether the Claims are derivative claims that belong to the Debtors' estates and, if so, whether the Pending Action and pursuit of the Securities POCs should be enjoined.

3. Nothing herein shall confer any additional standing or grant any additional rights to the TCC with respect to the Adversary Proceeding or the matters asserted therein, including, without limitation, any right to pursue or settle the Claims asserted in the Pending Action or the Securities POCs. Consistent with the foregoing, unless and until an order is entered in these Chapter 11 Cases or a plan of reorganization is confirmed and becomes effective in these Chapter 11 Cases that transfers to the TCC or a Resolution Trustee the right to pursue any derivative claims belonging to the Debtors' estates, all authority with respect to all such derivative claims remains with the Debtors. For the avoidance of doubt, nothing herein shall preclude the Debtors from settling the Claims asserted in the Pending Action or the Securities POCs, subject to any required approval of the Court.

4. In the event that the terms of this Stipulation are not approved by the Bankruptcy Court, it shall be null and void and have no force or effect and the Parties agree that, in such circumstances, this Stipulation shall be of no evidentiary value whatsoever in any proceedings.

5. This Stipulation shall be binding on the Parties and each of their successors in interest.

6. This Stipulation shall constitute the entire agreement and understanding of the Parties relating to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter hereof.

7. The Bankruptcy Court shall retain jurisdiction to resolve any disputes or controversies arising from this Stipulation or any Order approving the terms of this Stipulation.

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Dated: March 23, 2020

WEIL, GOTSHAL & MANGES LLP

/s/ Theodore E. Tsekerides

Theodore E. Tsekerides

*Attorneys for Debtors
and Debtors in Possession*

Dated: March 23, 2020

BAKER & HOSTETLER LLP

/s/ David J. Richardson

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*Attorneys for the Official Committee of
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